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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric
Company for Approval of G-NR2 Core
Gas Transportation Service for Back-up
Electric Generation Facilities.

(U 39 G)

Application No. 23-01-____

**APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 G) FOR
APPROVAL OF G-NR2 CORE GAS TRANSPORTATION SERVICE
FOR BACK-UP ELECTRIC GENERATION FACILITIES**

REQUEST FOR EXPEDITED SCHEDULE

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Dated: January 26, 2023

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

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I. INTRODUCTION

By this *Application for Approval of G-NR2 Core Gas Transportation Service for Back-up Electric Generation Facilities* (Application), pursuant to Rules 2.1 and 3.2 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), Pacific Gas and Electric Company (PG&E) requests approval to modify its existing gas rules and tariffs to enable customers requiring back-up electric generation to take core transportation service under PG&E's Gas Schedule G-NR2 (Gas Service to Large Commercial Customers) under certain criteria and conditions instead of taking non-core transportation service under Gas Schedule G-EG (Gas Transportation Service to Electric Generation) as currently required.

As detailed in the Application and supporting testimony, customers providing essential services commonly install diesel-powered back-up generation to meet their 24/7/365 electric reliability needs. PG&E's proposed modification of its gas rules and tariffs would permit larger back-up generators (greater than 500 kilowatt (kW)) to request core G-NR2 transportation service rather than curtailable non-core G-EG service, providing these customers with a viable alternative to installing diesel back-up generation and helping California to achieve its greenhouse gas (GHG) reduction goals. PG&E's proposal will not negatively impact existing core customers as back-up generation customers taking service under G-NR2 would be required

to pay the full reinforcement cost associated with this service and are not eligible for allowances, discounts, or refunds under PG&E Gas Rules 15/16. Further, customers would be required to receive gas procurement through a third-party non-core gas marketer rather than receive core procurement service from either PG&E as bundled service or via a Core Transport Agent (CTA).

Due to customers' need to make back-up generation investment decisions and the public safety benefits of significantly reducing air pollution and GHG emissions by using gas-fired backup-generation instead of using diesel fuel, PG&E respectfully requests an expedited schedule pursuant to Rule 2.9, which is further described below and in Attachment A.

II. SUMMARY OF APPLICATION

A. PG&E proposes targeted modifications of its Gas Rules and Tariffs.

This Application requests Commission authorization to modify the following existing gas rules and tariffs to enable customers using back-up electric generation to take core gas transportation service for this purpose under PG&E's Gas Schedule G-NR2 instead of being limited to Gas Schedule G-EG:

- Modification of PG&E's Gas Rules
 - Gas Rule 1 (Definitions):
 - PG&E proposes a new definition identified as: G-NR2 TRANSPORTATION SERVICE FOR GENERATORS. This definition allows for large noncore Generation customers to seek and upon approval receive G-NR2 gas transportation service, excluding core procurement service and treated in terms of any potential core curtailments in the same manner other G-NR2 customers are treated.
 - PG&E also proposes modification of the definition of NONCORE END-USE CUSTOMER. This modification allows for EG and Cogeneration Customers with historic or potential annual use exceeding 250,000 therms per year or

rated generation capacity of five hundred kW typically classified as Noncore End-Use Customers to request gas transportation service under Gas Schedule G-NR2 as described in the proposed G-NR2 TRANSPORTATION SERVICE FOR GENERATORS definition and proposed changes to Gas Rule 12.

- Gas Rule 12 (Rates and Optional Rates): Incorporates proposed Gas Rule 1 changes into the Noncore to Core Service transfer section Ea.
- Modification of PG&E's Gas Tariffs
 - Gas Schedule G-EG (Gas Transportation Service to Electric Generation): Incorporates the proposed Gas Rule 1 change allowing for Gas Schedule G-EG customers to request gas transportation service under Gas Schedule G-NR2 subject to PG&E approval instead of being limited to Gas Schedule G-EG.
 - Gas Schedule G-NR2 (Gas Service to Large Commercial Customers): Incorporates the proposed Gas Rule 1 and Gas Rule 12 changes allowing for Gas Schedule G-EG customers to request gas transportation service under Gas Schedule G-NR2 subject to PG&E approval.
 - Gas Schedule G-PPPS (Gas Public Purpose Program Surcharge): Provides that gas qualifying for consumption under Gas Schedule G-EG but electing Gas Schedule G-NR2 and separately metered under G-NR2 remains exempt from Gas Schedule G-PPPS.
 - Gas Schedule G-SUR (Customer-Procured Gas Franchise Fee Surcharge): Provides that gas qualifying for consumption under Gas Schedule G-EG but electing Gas Schedule G-NR2 and separately metered under G-NR2 remains exempt from Gas Schedule G-SUR if it would have exempt under G-EG.

B. There is strong customer interest in installing gas-fired back-up electric generation facilities instead of using diesel fuel if core G-NR2 transportation service is made available.

Many of PG&E's customers have 24/7/365 electric needs requiring back-up generation capability and currently can only be served under the curtailable Schedule G-EG tariff for back-up generation usage, since most back-up generation is greater than the 500kW threshold. As detailed in PG&E's supporting testimony, customers have explained to PG&E that curtailable noncore service under Schedule G-EG will not suffice for purposes of their essential backup generation needed to serve their own customers, and that they are willing to pay a higher rate for core G-NR2 Large Commercial transportation service instead of installing diesel-fueled generation.

C. PG&E's proposal supports California's emissions goals.

Diesel is currently the predominant fuel source for back-up electric generation in California, including for new units. Although battery energy storage systems are a potential back-up power alternative to diesel-fueled generators, cost and duration challenges currently exist for large commercial customers. For the reasons detailed in PG&E's supporting testimony, natural gas can play a vital role as an interim fuel solution that helps California make progress toward its carbon neutrality goals. Carbon dioxide emissions from natural gas are significantly lower than from diesel (an approximate reduction of 44.3 pounds of carbon dioxide emitted per million British thermal units of energy). As an example, if one facility that experiences electric service interruption of a total of 14 days per year used natural gas for back-up generation instead of diesel, it could result in an annual carbon dioxide reduction of close to 11,000 metric tons. For this reason, PG&E proposes that back-up generation customers be allowed to request core G-NR2 transportation service with the requirement of paying all applicable rates and charges as well as any necessary system reinforcement costs, and obtaining non-core procurement service.

D. PG&E’s proposal does not increase rates for other customers or negatively impact the safety and reliability of the gas system.

PG&E’s proposal will not increase costs or reduce safety or reliability for existing core gas customers, as back-up generation customers taking service under Schedule G-NR2 will be responsible for all incremental costs to interconnect as well as all costs for any gas system upgrades that are needed for the back-up generation customer to receive core service.

Further, PG&E’s proposal will not affect gas procurement costs for its core customers, as back-up electric generation customers approved for Schedule G-NR2 transportation service will not be eligible for commodity service from a core procurement group.

III. PG&E REQUESTS EXPEDITED TREATMENT OF THIS FOCUSED APPLICATION SO THAT CUSTOMERS MAKING FACILITY INVESTMENT DECISIONS CAN BEGIN CONSIDERING THIS COMPELLING ALTERNATIVE TO DIESEL FUEL FOR THEIR BACK-UP ELECTRIC GENERATION NEEDS.

If authorized by the Commission, PG&E believes its G-NR2 core gas transportation service proposal will help reduce air pollution and GHG emissions in California by making gas-fired back-up generation a more viable near-term option for customers who require 24/7/365 electric reliability and core gas transportation reliability, reducing the current reliance on diesel-fueled back-up generation. Due to the limited focus of PG&E’s proposals and the urgency of decision timing for customers interested in making an investment in significantly cleaner gas-fired back-up generation instead of diesel, with corresponding benefits to public safety in California, PG&E respectfully requests expedited consideration of this Application as outlined in the proposed procedural schedule below and as detailed in Attachment A.

IV. ORGANIZATION OF SUPPORTING TESTIMONY

Concurrent with the filing of this Application, PG&E is serving supporting Prepared Testimony demonstrating why this Application for approval of its proposed G-NR2 Core Gas Transportation Service for Back-up Generation Facilities is reasonable and should be approved:

Chapter 1 – Introduction and Overview

Chapter 2 – G-NR2 Transportation Services

Chapter 3 – Tariff, Economic and Environmental Considerations

V. SUMMARY OF RELIEF AND AUTHORITY SOUGHT

In this Application, PG&E seeks Commission authorization to modify its existing Gas Rules 1 and 12 and its existing Gas Schedules G-EG, G-NR2, G-PPPS and G-SUR, as summarized above and as detailed in Chapter 3.

There is no revenue requirement or other cost recovery mechanism necessary, as back-up electric generation customers taking core service under Schedule G-NR2 would be required to pay the full reinforcement cost associated with this service and would be required to receive gas procurement through a third-party non-core gas marketer.

As summarized above and as detailed in Attachment A to this Application, PG&E also requests expedited treatment of its Application pursuant to Rule 2.9 due to the public safety benefits of providing large commercial customers a viable near-term alternative to diesel-fueled backup generation.

VI. STATUTORY AND PROCEDURAL REQUIREMENTS

PG&E files this Application pursuant to Sections 451 and 454 of the Public Utilities Code.

VII. LEGAL NAME AND PRINCIPAL PLACE OF BUSINESS (RULE 2.1(A))

The legal name of the Applicant is Pacific Gas and Electric Company. PG&E's principal place of business is in transition from 77 Beale Street, San Francisco, California, 94105 to 300 Lakeside Drive, Oakland, California 94612. PG&E is duly organized under the State of California.

VIII. CORRESPONDENCE, COMMUNICATIONS, AND SERVICE (RULE 2.1(B))

All correspondence, communications, and service of papers regarding this Application should be directed to:

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IX. PROPOSED CATEGORIZATION AND NEED FOR HEARINGS (RULE 2.1(C))

PG&E proposes that this Application be categorized as a ratesetting proceeding.

X. NEED FOR HEARINGS (RULE 2.1(C))

PG&E anticipates that evidentiary hearings may be requested by other parties to this proceeding, but the need for evidentiary hearings will depend on the degree to which and grounds on which other parties might contest the proposals contained in this Application. PG&E hopes to resolve the issues raised in this Application without hearings, such as through more informal procedures, including discovery.

XI. ISSUES TO BE CONSIDERED (RULE 2.1(C))

The principal issue presented in this Application is whether the Commission should approve PG&E's request for approval of G-NR2 core gas transportation service for customer back-up generation facilities as reasonable, supported by facts and in the public interest, in compliance with the requirements of the Public Utilities Code and Commission decisions, orders, and resolutions.

XII. RELEVANT SAFETY CONSIDERATION (RULE 2.1(C))

In D.16-01-017, the Commission amended Rule 2.1(c) requiring an applicant to identify all relevant safety considerations implicated by an Application to which the assigned Commissioners and presiding officer could refer to during the proceeding. As demonstrated in this Application and the prepared testimony, PG&E's proposals in this proceeding support reliable provision of gas service to customers with back-up electric generation facilities and enhance public safety by helping to reduce air pollution and GHG emissions in California.

XIII. PROCEDURAL SCHEDULE (RULE 2.1(C))

PG&E proposes the following expedited procedural schedule for this Application to enable PG&E to make the G-NR2 Core Gas Transportation Service for Back-up Generation Facilities available to large commercial customers as soon as possible so that they have a viable alternative to installing diesel-fueled backup generation and can make necessary investment decisions.

Activity	Date
PG&E files Application	January 26, 2023
Protests and Responses filed and served	30 days after Daily Calendar Notice
Reply filed and served	7 days after Protests and Responses
Notice of PHC	March 14, 2023
Prehearing Conference	April 12, 2023
Scoping Memo	April 28, 2023
Intervenor Reply Testimony	June 23, 2023
PG&E Rebuttal Testimony	July 21, 2023
Evidentiary Hearings, if needed	September 2023
Concurrent Opening Briefs	October 18, 2023
Concurrent Reply Briefs	November 10, 2023
Proposed Decision	Within 12 months of application filing date (January 2024)
Final Decision	February 2024

XIV. ARTICLES OF INCORPORATION (RULE 2.2)

PG&E is, and since October 10, 1905, has been, an operating public utility corporation organized under California law. It is engaged principally in the business of furnishing electric and gas services in California. A certified copy of PG&E's Amended and Restated Articles of Incorporation, effective June 22, 2020, was filed with the Commission on July 1, 2020, with PG&E's Application 20-07-002. These articles are incorporated herein by reference pursuant to Rule 2.2 of the Commission's Rules.

XV. BALANCE SHEET AND INCOME STATEMENT (RULE 3.2(A)(1))

PG&E's most recent balance sheet and income statement were filed on December 15, 2022, in A.22-12-009 and are incorporated by reference herein.

XVI. STATEMENT OF PRESENTLY EFFECTIVE RATES (RULE 3.2(A)(2))

PG&E's presently effective gas rates are attached as Attachment B.

XVII. STATEMENT OF PROPOSED CHANGES AND RESULTS OF OPERATION AT PROPOSED RATES (RULE 3.2(A)(3))

Approval of this Application would not increase gas rates for distribution customers; therefore, a statement setting forth PG&E's proposed increases or changes to gas rates is not needed.

XVIII. GENERAL DESCRIPTION OF PG&E'S PROPERTY AND EQUIPMENT (RULE 3.2(A)(4))

Because this submittal is not a general rate application, this requirement is not applicable.

XIX. SUMMARY OF EARNINGS (RULE 3.2(A)(5) AND (6))

A summary of recorded year 2021 revenues, expenses, rate bases, and rate of return for PG&E's Electric and Gas departments was filed with the Commission on July 22, 2022, in A.21-06-021 and is incorporated herein by reference.

XX. STATEMENT OF ELECTION METHOD OF COMPUTING DEPRECIATION DEDUCTION FOR FEDERAL INCOME TAX (RULE 3.2(A)(7))

Because this submittal is not a general rate application, this requirement is not applicable.

XXI. MOST RECENT PROXY STATEMENT (RULE 3.2(A)(8))

Because this submittal is not a general rate application, this requirement is not applicable.

XXII. TYPE OF RATE CHANGE REQUESTED (RULE 3.2(A)(10))

Results of operations at proposed rates are not required because no rate change is requested.

XXIII. SERVICE AND NOTICE OF APPLICATION

PG&E is serving this Application and its Prepared Testimony on the service lists in the Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and perform Long-Term Gas System Planning (R. 20-01-007); Order Instituting Rulemaking Regarding Building Decarbonization (R.19-01-011); and the Order Instituting Rulemaking to Establish a Framework and Processes for Assessing the Affordability of Utility Service (R.18-07-006).

XXIV. CONCLUSION AND REQUEST FOR COMMISSION ORDERS

PG&E respectfully requests that the Commission expeditiously issue appropriate orders pursuant to Sections 451 and 454 of the Public Utilities Code:

- A. Approving PG&E's Application for Approval of G-NR2 Core Gas Transportation Service for Back-up Electric Generation Facilities as reasonable and in the public interest; and
- B. Granting such additional relief the Commission deems appropriate.

Respectfully Submitted,

By: /s/ Jonathan D. Pendleton
JONATHAN D. PENDLETON

Pacific Gas and Electric Company
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San Francisco, CA 94105
Telephone: (415) 971-8064
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Attorney for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: January 26, 2023

VERIFICATION

I, the undersigned, say:

I am an officer of Pacific Gas and Electric Company, a corporation, and am authorized, pursuant to Rule 2.1 and Rule 1.11 of the Rules of Practice and Procedure of the CPUC, to make this Verification for and on behalf of said Corporation, and I make this Verification for that reason. I have read the foregoing Application, and I am informed and believe that the matters therein concerning Pacific Gas and Electric Company are true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed on January 26, 2023, at Oakland, California.

By: Christine Cowsert
Christine Cowsert
Senior Vice President, Gas Engineering

PACIFIC GAS AND ELECTRIC COMPANY

ATTACHMENT A

REQUEST FOR EXPEDITED SCHEDULE

PG&E respectfully requests that the Commission consider this *Application for Approval of G-NR2 Core Gas Transportation Service for Back-up Electric Generation Facilities* (Application) on an expedited basis pursuant to Commission Rule 2.9. An expedited application process is warranted under Rule 2.9 because of the benefits to public safety in California by reducing the current reliance on diesel-fueled back-up electric generation by large commercial customers.

Many of PG&E's customers have 24/7/365 electric needs requiring back-up generation capability and currently can only be served under the curtailable Schedule G-EG tariff for back-up generation usage, since most back-up generation is greater than the 500kW threshold. As detailed in PG&E's supporting testimony, customers have explained to PG&E that curtailable noncore service under Schedule G-EG will not suffice for purposes of their essential backup generation needed to serve their own customers, and that they are willing to pay a higher rate for core G-NR2 Large Commercial transportation service instead of installing diesel-fueled generation.

Carbon dioxide emissions from natural gas are significantly lower than from diesel (an approximate reduction of 44.3 pounds of carbon dioxide emitted per million British thermal units of energy). As an example, if one facility that experiences electric service interruption of a total of 14 days per year used natural gas for back-up generation instead of diesel, it could result in an annual carbon dioxide reduction of close to 11,000 metric tons. For this reason, PG&E proposes in its Application that back-up generation customers be allowed to request core G-NR2 transportation service with the requirement of paying all applicable rates and charges as well as any necessary system reinforcement costs, and obtaining non-core procurement service.

Due to the limited focus of PG&E's proposals and the urgency of decision timing for customers interested in making an investment in significantly cleaner gas-fired back-up generation instead of diesel, with corresponding benefits to public safety in California, PG&E respectfully requests expedited consideration of this Application. This customer interest and urgency is demonstrated by Attachment 1-1 to PG&E's supporting testimony, Chapter 1. If the Application is granted expedited treatment, PG&E will be able to begin implementing the proposed changes to its gas rules and tariffs in early 2024.

PACIFIC GAS AND ELECTRIC COMPANY
ATTACHMENT B

Rate Schedules		08/01/2022 ⁽²⁾	Average Rate No PPP	01/01/2023 ⁽¹⁾	% Chg from August 1, 2022	Average Rate No PPP	% Chg from August 1, 2022
Comparison of Gas Accord Tariffs - Current rates - effective January 1, 2022 (THESE RATES DID NOT CHANGE January 1, 2023).							
Gas Schedule G-AA		1/1/2021 (2) Usage Rate		1/1/2022 (1) Usage Rate	% Chg From 1/1/21		% Chg From 1/1/21
Path							
Redwood to On-System (Per Dth)		\$0.8753		\$0.9022	3.07%		
Baja to On-System (Per Dth)		\$1.0793		\$1.1182	3.60%		
Silverado to On-System (Per Dth)		\$0.6878		\$0.7103	3.27%		
Mission to On-System (Per Dth)		\$0.0000		\$0.0000	0.00%		
Gas Schedule G-AAOFF		Usage Rate		Usage Rate			
Path							
Redwood to Off-System (Per Dth)		\$0.8753		\$0.9022	3.07%		
Baja to Off-System (Per Dth)		\$1.0793		\$1.1182	3.60%		
Silverado to Off-System (Per Dth)		\$0.8753		\$0.9022	3.07%		
Mission to Off-System (Per Dth)		\$0.8753		\$0.9022	3.07%		
Mission to Off-System Storage Withdrawals (Per Dth)		\$0.0000		\$0.0000	0.00%		
Gas Schedule G-AFT		Reservation Rate		Reservation Rate			
Path		MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to On-System (Per Dth)		\$16.3309	\$22.0809	\$16.7183	2.37%	\$22.7597	3.07%
Redwood to On-System Core Procurement Groups Only (Per Dth)		\$15.0130	\$20.8302	\$15.4990	3.24%	\$21.7537	4.43%
Baja to On-System (Per Dth)		\$20.1370	\$27.2272	\$20.7209	2.90%	\$28.2087	3.60%
Baja to On-System Core Procurement Groups Only (Per Dth)		\$0.0000	\$0.0000	\$0.0000	0.00%	\$0.0000	0.00%
Silverado to On-System (Per Dth)		\$12.6452	\$17.3534	\$12.9629	2.51%	\$17.9215	3.27%
Mission to On-System (Per Dth)		\$12.6452	\$17.3534	\$12.9629	2.51%	\$17.9215	3.27%
		Usage Rate		Usage Rate			
Path		MFV Rates	SFV Rates	MFV Rates	SFV Rates <td></td> <td></td>		
Redwood to On-System (Per Dth)		\$0.1925	\$0.0035	\$0.2022	5.03%	\$0.0036	3.04%
Redwood to On-System Core Procurement Groups Only (Per Dth)		\$0.1939	\$0.0027	\$0.2084	7.47%	\$0.0028	3.97%
Baja to On-System (Per Dth)		\$0.2374	\$0.0043	\$0.2506	5.57%	\$0.0044	3.57%
Baja to On-System Core Procurement Groups Only (Per Dth)		\$0.0000	\$0.0000	\$0.0000	0.00%	\$0.0000	0.00%
Silverado to On-System (Per Dth)		\$0.1574	\$0.0026	\$0.1657	5.28%	\$0.0027	3.06%
Mission to On-System (Per Dth)		\$0.1574	\$0.0026	\$0.1657	5.28%	\$0.0027	3.06%
Mission to On-System Storage Withdrawals (Conversion option from Firm ON-System Rewood or Baja Path only)		\$0.0000	\$0.0000	\$0.0000	0.00%	\$0.0000	0.00%
Gas Schedule G-AFTOFF		Reservation Rate		Reservation Rate			
Path		MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to Off-System (Per Dth)		\$16.3309	\$22.0809	\$16.7183	2.37%	\$22.7597	3.07%
Baja to Off-System (Per Dth)		\$20.1370	\$27.2272	\$20.7209	2.90%	\$28.2087	3.60%
Silverado to Off-System (Per Dth)		\$16.3309	\$22.0809	\$16.7183	2.37%	\$22.7597	3.07%
Mission to Off-System (Per Dth)		\$16.3309	\$22.0809	\$16.7183	2.37%	\$22.7597	3.07%
		Usage Rate		Usage Rate			
Path		MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to Off-System (Per Dth)		\$0.1925	\$0.0035	\$0.2022	5.03%	\$0.0036	3.04%
Baja to Off-System (Per Dth)		\$0.2374	\$0.0043	\$0.2506	5.57%	\$0.0044	3.57%
Silverado to Off-System (Per Dth)		\$0.1925	\$0.0035	\$0.2022	5.03%	\$0.0036	3.04%
Mission to Off-System (Per Dth)		\$0.1925	\$0.0035	\$0.2022	5.03%	\$0.0036	3.04%
Gas Schedule G-BAL							
Self-Balancing Credit Paragraph Section		\$0.0360		\$0.0368	2.22%		
Gas Schedule G-CFS							
Reservation Charge per Dth per month		\$0.4392		\$0.4417	0.57%		
Gas Schedule G-LEND							
Minimum Rate (per transaction)		\$57.00		\$57.00	0.00%		
Maximum Rate (per Dth per day)		\$1.1650		\$1.1650	0.00%		
Gas Schedule G-NAS							
Injection Maximum Rates (Per Dth/Day)		\$5.7236		\$5.7236	0.00%		
Withdrawal Maximum Rates (Per Dth/Day)		\$26.1629		\$26.1629	0.00%		
Gas Schedule G-NFS							
Injection Maximum Rates (Per Dth/Day)		\$5.7236		\$5.7236	0.00%		
Inventory (Per Dth)		\$3.5541		\$3.5541	0.00%		
Withdrawal Maximum Rates (Per Dth/Day)		\$26.1629		\$26.1629	0.00%		
Gas Schedule G-PARK							
Minimum Rate (per transaction)		\$57.00		\$57.0000	0.00%		
Maximum Rate (per Dth per day)		\$1.1650					

Notes:

- 1) Rates are based on 1/1/2022 - Noncore, AL 4543-G for noncore tariffs and AL 4542-G for core tariffs.
- 2) Rates are based on 1/1/2021 - AGT, AL 4348-G for noncore tariffs and AL 4347-G for core tariffs.
- 5) Service no longer offered under adopted NGSS, however, previous January 2020 rate of \$0.3930 still shown on Tariff until the seven-year step-down period is adopted.

PACIFIC GAS AND ELECTRIC COMPANY

COMPARISON OF GAS TRANSPORTATION RATES

Rate Schedules	08/01/2022 ⁽¹⁾	Average Rate No PPP	01/01/2023 ⁽¹⁾	% Chg from August 1, 2022	Average Rate No PPP	% Chg from August 1, 2022
Comparison of Core Schedules:						
Residential (G-1, GM, GS, GT)						
Transportation Charge (\$/Therm)						
Tier 1	\$1.36083	\$1.54620	\$1.30594	-4.03%	\$1.46104	-5.5% Avg. Summer (Apr-Oct)
Tier 2	\$1.82882	\$1.93835	\$1.69374	-7.39%	\$1.43762	-5.3% Avg. Winter (Jan-Mar, Nov-Dec)
Average Rate from RTP		\$1.52823			\$1.44593	-5.4% Avg. Annual
California Natural Gas Climate Credit ³	(\$47.83)		(\$52.78)			
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Residential Natural Gas Vehicle (G1-NGV)						
Customer Charge	\$0.41425		\$0.41425	0.00%		
Transportation Charge (\$/therm) implemented 2/1/06	\$0.92055		\$0.85392	-7.24%		
California Natural Gas Climate Credit ³	(\$47.83)		(\$52.78)			
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Small Commercial (G-NR1)						
Customer Charge 0 - 5.0 therms (\$/day)	\$0.27048		\$0.27048	0.00%		
Customer Charge 5.1 - 16.0 therms (\$/day)	\$0.52106		\$0.52106	0.00%		
Customer Charge 16.1 - 41.0 therms (\$/day)	\$0.95482		\$0.95482	0.00%		
Customer Charge 41.1 - 123.0 therms (\$/day)	\$1.66489		\$1.66489	0.00%		
Customer Charge >123.1 therms (\$/day)	\$2.14936		\$2.14936	0.00%		
Transportation Charge (\$/Therm)						
Summer (1st 4,000)	\$0.93090	\$0.95948	\$0.87745	-5.74%	\$0.90943	-5.2% Avg. Summer
Summer (Excess)	\$0.58273		\$0.55376	-4.97%		
Winter (1st 4,000)	\$1.09498	\$1.07006	\$1.02668	-6.24%	\$1.00690	-5.9% Avg. Winter
Winter (Excess)	\$0.68545		\$0.64794	-5.47%		
		\$1.02723			\$0.96386	-5.6% Avg. Annual
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Large Commercial (G-NR2)						
Customer Charge (\$/Day)	\$4.95518		\$4.95518	0.00%		
Transportation Charge (\$/Therm)						
Summer (1st 4,000)	\$0.93090	\$0.62054	\$0.87745	-5.74%	\$0.58920	-5.1% Avg. Summer
Summer (Excess)	\$0.58273		\$0.55376	-4.97%		
Winter (1st 4,000)	\$1.09498	\$0.72713	\$1.02668	-6.24%	\$0.68679	-5.5% Avg. Winter
Winter (Excess)	\$0.68545		\$0.64794	-5.47%		
		\$0.66634			\$0.63113	-5.3% Avg. Annual
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Residential Transport-Only (G-CT)						
Transportation Charge (\$/Therm)						
Tier 1	\$1.36083		\$1.30594	-4.03%		
Tier 2	\$1.82882		\$1.69374	-7.39%		
California Natural Gas Climate Credit ³	(\$47.83)		(\$52.78)			
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Small Commercial Transport-Only (G-CT)						
Transportation Charge (\$/Therm)						
Summer (1st 4,000)	\$0.93090		\$0.87745	-5.74%		
Summer (Excess)	\$0.58273		\$0.55376	-4.97%		
Winter (1st 4,000)	\$1.09498		\$1.02668	-6.24%		
Winter (Excess)	\$0.68545		\$0.64794	-5.47%		
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Large Commercial Transport-Only (G-CT)						
Transportation Charge (\$/Therm)						
Summer (1st 4,000)	\$0.93090		\$0.87745	-5.74%		
Summer (Excess)	\$0.58273		\$0.55376	-4.97%		
Winter (1st 4,000)	\$1.09498		\$1.02668	-6.24%		
Winter (Excess)	\$0.68545		\$0.64794	-5.47%		
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Natural Gas Vehicle - Uncompressed (G-NGV1)						
Customer Charge (\$/Day)	\$0.44121		\$0.44121	0.00%		
Transportation Charge (\$/Therm)	\$0.66357	\$0.66457	\$0.63230	-4.71%	\$0.63325	-4.7%
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
Natural Gas Vehicle - Compressed (G-NGV2)						
Customer Charge (\$/Day)	\$0.00		\$0.00	0.00%		
Transportation Charge (\$/Therm)	\$2.24323	\$2.24323	\$2.23551	-0.34%	\$2.23551	-0.3%
Greenhouse Gas Compliance Cost ⁴	\$0.10235		\$0.11886			
G-PPP CORE CUSTOMERS						
Residential Non-Care	\$0.10346		\$0.11055	6.85%		
Residential CARE	\$0.06215		\$0.06438	3.59%		
Small Commercial	\$0.06237		\$0.08484	36.03%		
Large Commercial	\$0.05611		\$0.07267	29.51%		
Natural Gas Vehicle	\$0.04380		\$0.04866	11.10%		

Notes:

- 1) Rates are based on 1/1/2023 - Advice Letter 4693-G for noncore tariffs and Advice Letter 4692-G for core tariffs.
- 2) Rates are based on 8/1/2022 - Advice Letter 4639-G for noncore tariffs and Advice Letter 4638-G for core tariffs.
- 3) Residential Annual Credit in April bill cycle.
- 4) Covered Entities (i.e., customers that currently have a direct obligation to pay for allowances directly to the Air Resources Board for their Greenhouse Gas (GHG) emissions) will see a line item credit on their bill equal to \$0.11886 per therm times their monthly billed volumes.

PACIFIC GAS AND ELECTRIC COMPANY

COMPARISON OF GAS TRANSPORTATION RATES

Rate Schedules	08/01/2022 ⁽¹⁾	Average Rate No PPP	01/01/2023 ⁽¹⁾	% Chg from August 1, 2022	Average Rate No PPP	% Chg from August 1, 2022
Comparison of Noncore Schedules						
Industrial (G-NT)						
<u>Customer Access Charge (\$/Day)</u>						
0 to 5,000 therms	\$0.94553		\$0.94553	0.0%		
5,001 to 10,000 therms	\$2.81688		\$2.81688	0.0%		
10,001 to 50,000 therms	\$5.24318		\$5.24318	0.0%		
50,001 to 200,000 therms	\$6.88110		\$6.88110	0.0%		
200,001 to 1,000,000 therms	\$9.98367		\$9.98367	0.0%		
1,000,001 therms and above	\$84.68745		\$84.68745	0.0%		
<u>Transportation Charge (\$/Therm)</u>						
Backbone	0.14367	\$0.14446	0.12353	-14.02%	\$0.12432	-13.9%
Transmission	\$0.27813	\$0.27885	\$0.26752	-3.81%	\$0.26823	-3.8%
Distribution (Summer) Tier 1	\$0.62755	\$0.53746	\$0.60810	-3.10%	\$0.51990	-3.3%
Distribution (Summer) Tier 2	\$0.50636		\$0.49076	-3.08%		
Distribution (Summer) Tier 3	\$0.48178		\$0.46707	-3.05%		
Distribution (Summer) Tier 4	\$0.46285		\$0.44870	-3.06%		
Distribution (Summer) Tier 5	\$0.27813		\$0.26752	-3.81%		
Distribution (Winter) Tier 1	\$0.74435		\$0.72118	-3.11%		
Distribution (Winter) Tier 2	\$0.58076		\$0.56278	-3.10%		
Distribution (Winter) Tier 3	\$0.54758		\$0.53080	-3.06%		
Distribution (Winter) Tier 4	\$0.52202		\$0.50600	-3.07%		
Distribution (Winter) Tier 5	\$0.27813		\$0.26752	-3.81%		
Greenhouse Gas Compliance Cost ³	0.10235		\$0.11886			
G-PPP Noncore Customers						
Backbone/Transmission	\$0.04920		\$0.05824	18.37%		
Distribution	\$0.06270		\$0.08576	36.78%		
Electric Generation G-EG						
<u>Transportation Charge:</u>						
Backbone Transportation Charge (\$/therm)	0.13772	\$0.13798	0.12161	-11.70%	\$0.12187	-11.7%
Distribution/Transmission Charge (\$/Therm)	\$0.26212	\$0.26295	\$0.25585	-2.39%	\$0.25668	-2.4%
Greenhouse Gas Compliance Cost ³	0.10235		\$0.11886			
Wholesale G-WSL						
<u>Customer Access Charge (\$/Day)</u>						
Palo Alto	\$72.81107		\$72.81107	0.00%		
Coalinga	\$21.83737		\$21.83737	0.00%		
West Coast Gas-Mather	\$11.59266		\$11.59266	0.00%		
West Coast Gas - Castle	\$12.68515		\$12.68515	0.00%		
Island Energy	\$14.79584		\$14.79584	0.00%		
Alpine Natural Gas	\$4.93742		\$4.93742	0.00%		
<u>Transportation Charge (\$/Therm)</u>						
Palo Alto	\$0.25828	\$0.15682	\$0.25127	-2.71%	\$0.13329	-15.0%
Coalinga	\$0.25828	\$0.15972	\$0.25127	-2.71%	\$0.13619	-14.7%
West Coast Gas - Mather (Transmission)	\$0.25828	\$0.16069	\$0.25127	-2.71%	\$0.13716	-14.6%
West Coast Gas - Mather (Distribution)	\$0.79853	\$0.70094	\$0.78618	-1.55%	\$0.67207	-4.1%
West Coast Gas - Castle (Distribution)	\$0.57249	\$0.47761	\$0.56237	-1.77%	\$0.45098	-5.6%
Island Energy	\$0.25828	\$0.16851	\$0.25127	-2.71%	\$0.14478	-14.0%
Alpine Natural Gas	\$0.25828	\$0.15937	\$0.25127	-2.71%	\$0.13585	-14.8%
Greenhouse Gas Compliance Cost ³	0.10235		\$0.11886			
Natural Gas Vehicle - Uncompressed (G-NGV4)						
<u>Customer Access Charge (\$/Day)</u>						
0 to 5,000 therms	\$0.94553		\$0.94553	0.0%		
5,001 to 10,000 therms	\$2.81688		\$2.81688	0.0%		
10,001 to 50,000 therms	\$5.24318		\$5.24318	0.0%		
50,001 to 200,000 therms	\$6.88110		\$6.88110	0.0%		
200,001 to 1,000,000 therms	\$9.98367		\$9.98367	0.0%		
1,000,001 therms and above	\$84.68745		\$84.68745	0.0%		
<u>Transportation Charge (\$/Therm)</u>						
Transmission	\$0.26750	\$0.26822	\$0.25774	-3.65%	\$0.25846	-3.6%
Distribution (Summer) Tier 1	\$0.62755	\$0.53746	\$0.60810	-3.10%	\$0.51990	-3.3%
Distribution (Summer) Tier 2	\$0.50636		\$0.49076	-3.08%		
Distribution (Summer) Tier 3	\$0.48178		\$0.46707	-3.05%		
Distribution (Summer) Tier 4	\$0.46285		\$0.44870	-3.06%		
Distribution (Summer) Tier 5	\$0.26750		\$0.25774	-3.65%		
Distribution (Winter) Tier 1	\$0.74435		\$0.72118	-3.11%		
Distribution (Winter) Tier 2	\$0.58076		\$0.56278	-3.10%		
Distribution (Winter) Tier 3	\$0.54758		\$0.53080	-3.06%		
Distribution (Winter) Tier 4	\$0.52202		\$0.50600	-3.07%		
Distribution (Winter) Tier 5	\$0.26750		\$0.25774	-3.65%		
Greenhouse Gas Compliance Cost ³	0.10235		\$0.11886			
Liquefied Natural Gas (G-LNG)						
	\$0.40464		\$0.39488	-2.41%		
G-PPP Natural Gas Vehicle/Liquid Natural Gas						
	\$0.04380		\$0.04866	11.10%		

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